

# Media Advisory & Reminder

Today: January 20, 2009

## Press Event details

**TOMORROW** January 21, 2009

9:00-9:45 AM

Utah State Capitol, Olmstead Room,  
East Building (*now confirmed*)

## Contact

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## Utah Medicaid Partnership with Beneficiaries & ER Physician to Present Principles for Handling Medicaid thru Recession

### *Options to Contain Costs, Protect Utahns, and Aid Economic Recovery*

Salt Lake City-The Utah Medicaid Partnership (UMP), a coalition of advocates, providers, ex-officials, consumers, and concerned Utahns will be hosting a 'roundtable' press event to review potential Medicaid cuts, their implications for Utahns who rely on Medicaid for their health care, and the impact these cuts could have on Utah's fragile economy. Individuals who will be directly impacted by specific cuts will be on hand to describe the consequences of specific proposed cuts in terms of their health, employability, and capacity to live in the community. Dr. Charles Pruitt, E.R. physician at Primary Children's Medical Center, will facilitate the roundtable discussion and Q & A with members of the media. In addition, Utah Health Policy Project will provide an update on the status and timing of fiscal relief and summarize the principles and strategies that policymakers should use in their handling of Medicaid budget decisions.

**When: Wednesday, January 21, 2009, 9:00-9:45 AM**

**Where: The Olmsted Room, Utah State Capitol (Senate/East Building) (**now confirmed**)**

Speakers will include individuals directly impacted by proposed program cuts, including:

- An individual who currently 'spends down' income and uses Medicaid to pay for the rest of his care;
- A person with a disability who participates in the Medicaid Work Incentives Program;
- Individuals who are able to live and work with serious mental illness—thanks to Medicaid.
- A woman who has been successfully treated for breast cancer, thanks to the Medicaid Breast and Cervical Cancer Treatment Program;
- A physician who needed to stop working and enroll in Medicaid after he was diagnosed with multiple sclerosis. Today he is managing his illness and able to work again. Medicaid helped him get back on his feet.
- Individuals who used to benefit from the so-called 'optional' services provided through Medicaid: physical therapy, occupational therapy, dental care and eyewear, and audiology;
- A man with cerebral palsy who is able to live and work in the community thanks to the Medicaid Choices and Physical Disability Waivers
- Policy experts who can address the timing of fiscal relief from Congress, other options to 'buy time' for Medicaid, and the economic impact of investing in Medicaid.
- Others, TBA.

The full UMP Principles and Strategies can be read by clicking [here](#).

## THE PRINCIPLES

1. **Maximize cost containment within Medicaid.** There are several ways that Utah Medicaid can contain costs and become more efficient. Before the state explores *any* cuts to services, eligibility, or provider reimbursement rates, Utah Medicaid should strengthen the Preferred Drug List, for example, and convert Medicaid managed care contracts to a full-risk, capitated basis. These steps will not only help Medicaid weather the recession, but also make it a more cost effective program in better times.

2. **Take concrete steps to maximize federal funding and fiscal relief.**

Funding in the form of Medicaid fiscal relief is forthcoming from the new Congress. However, to take full advantage of this funding and to qualify for relief, Utah must maintain our current investment in Medicaid and restore October cuts. Fiscal relief will likely be retro-active to last October 1. In other words, if we decrease our investment in Medicaid we will LOSE valuable federal dollars that can keep Medicaid whole and stimulate Utah's economy. For every dollar that Utah spends, the federal government contributes \$3 more. For the sake of full economic recovery, Utah should maintain eligibility levels and restore services, raise provider rates to a level that will ensure timely access to care, and fully fund the considerable caseload growth that can be expected through the recession.

Set the stage for fiscal relief by augmenting the Governor's Medicaid budget recommendations as follows:

- a) **Buy time:** Allocate *temporary* funding to Medicaid in the form of bonding, rainy day funds, or the proposed tobacco tax increase.
- b) **Replace this funding with the fiscal relief dollars** once they are allocated by Congress, sometime in the middle of February.
- c) **Prepare for the cessation of fiscal relief** (18 months to 2 years down the road) by implementing every cost containment tool in the toolbox, including bulk purchasing of pharmaceuticals, disease management and medical homes, and other proven initiatives.

3. **Minimize cost-shifting.**

Prevent expensive cost-shifting by keeping Medicaid whole. All Utahns need access to health care to stay on the path to self sufficiency. The payer of last resort, Medicaid, is designed to provide cost-effective health care to low-income individuals who would otherwise go uninsured . A weak or under-utilized Medicaid program will increase the amount of uncompensated care delivered through Utah's already frayed health care safety net. The cost of that care will be shifted in turn to the insured. Thus, by maintaining services that provide access to cost-effective wellness and preventive care, we can limit the growth in health care costs for all payers.

4. **Reform the health care payment and delivery system, including Medicaid.**

Like all other payers, Medicaid suffers from waste and fragmentation caused by the current fee-for-service payment system, which the Institute of Medicine calls "toxic." Convene the leading stakeholders through the Utah Partnership for Value-Driven Health Care, Utah's Chartered Value Exchange, to create a new payment system demonstration pilot that aligns incentives for providers, payers, and the public to promote value. To make Medicaid truly sustainable, we must have comprehensive, financially sustainable health system reforms that address access, cost and quality. Health system reforms should begin —and never end— with a coordinated, systematic effort to align all treatment and financing decisions with evidence-based medicine.

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